

# State Of Wisconsin DIVISION OF HEARINGS AND APPEALS

IN THE MATTER OF THE MOTOR VEHICLE DEALER LICENSE OF CARS AND PARTS

Case No.: 98-H-1091

## FINAL DECISION

On July 29, 1998, the Department of Transportation filed a complaint with the Division of Hearings and Appeals pursuant to sec. 218.01, Stats., alleging that Cars and Parts has failed to maintain a surety bond or letter of credit as required by sec. 218 01(2)(bb), Stats. Based on this allegation the Department of Transportation is seeking an order suspending the motor vehicle dealer license of Cars and Parts. Pursuant to due notice, a hearing was conducted on September 29, 1998, in Madison, Wisconsin. Mark J. Kaiser, Administrative Law Judge, presided.

In accordance with secs. 227.47 and 227.53(1)(c), Stats, the PARTIES are certified as follows:

Wisconsin Department of Transportation, Complainant, by

Attorney Charles M. Kernats Office of General Counsel P. O. Box 7910 Madison, Wisconsin 53707-7910

Cars and Parts, Respondent, by

No Appearance

The Administrative Law Judge issued a proposed decision in this matter on September 29, 1998. No comments on the proposed decision were received. The proposed decision is adopted as the final decision in this matter.

#### FINDINGS OF FACT

The Administrator finds:

- 1. Cars and Parts is a motor vehicle dealer conducting business at 1004 Fish Hatchery Road, Madison, Wisconsin. Cars and Parts holds a motor vehicle dealer license issued by the Department of Transportation (Department).
- 2. Motor vehicle dealers are required by sec. 218.01(2)(bb), Stats., to maintain a \$25,000 surety bond or letter of credit as a condition of obtaining and maintaining a motor vehicle dealer license.
- 3. On March 19, 1998, Intercargo Insurance Company issued a notice of cancellation of the surety bond it had issued on behalf of Cars and Parts. The cancellation was effective on May 18, 1998.
- 4. Cars and Parts has not provided evidence of a continuation of the existing bond, a replacement surety bond, or an irrevocable letter of credit to the Department. As of May 18, 1998, Cars and Parts has failed to maintain a surety bond or irrevocable letter of credit.

## CONCLUSIONS OF LAW

The Administrator concludes:

- 1. Pursuant to sec. 218.01(3)(a)7, Stats., failure to maintain the surety bond or letter of credit required by sec. 218.11(2)(bb), Stats., is grounds for the denial, suspension, or revocation of the license of a motor vehicle dealer license.
- 2. Pursuant to secs. 218.01(3)(c) and 227.43(1)(bg), Stats., the Division of Hearings and Appeals has the authority to issue the following order

# **ORDER**

The Administrator orders:

The motor vehicle dealer license of Cars and Parts is suspended and shall remain suspended unless and until Cars and Parts provides to the Department of Transportation proof of

the existence of the requisite surety bond or irrevocable letter of credit effective retroactive to May 18, 1998. This order shall be effective ten days from the date of the final order in this matter.

Dated at Madison, Wisconsin on October 19, 1998.

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